5/027/024

Michael O. Leavitt Governor Ted Stewart Executive Director James W. Carter Division Director 355 West North Temple 3 Triad Center, Suite 350 Salt Lake City, Utah 84180-1203 801-538-5340 801-359-3940 (Fax) 801-538-5319 (TDD)

April 5, 1995

CERTIFIED RETURN RECEIPT P 074 978 938

David L. Penney Box 312 Beaver, Utah 84713

Re: Outstanding Permit Issues; Africa, Black Spot #2, Tina's Web; S/027/024 & Sandstone Lode S/053/035; Millard and Washington Counties, Utah

Dear Mr. Penney:

During a recent review of our files for your mining operations, it was noted that several issues are outstanding and need to be resolved to complete permitting of these sites.

In December 1993, we received an amended notice for your Africa, Black Spot #2, Tina's Web (DOGM file number S/027/024), located in Millard County, Utah. This amended application was found deficient and incomplete. On December 20, 1993, we sent a letter to you (copy enclosed), requesting further information regarding the deficiencies. The letter also requested the filing of annual reports for the years, 1991, 1992, and 1993. To date, you have not responded to this request. This information is required in order to complete this permitting action and to avoid the possible issuance of a DOGM Notice of Non-compliance.

Your permit application/mining notice for the Sandstone Lode (DOGM file number S/053/035), located in Washington County, Utah, has not been accepted by this Division. In discussing this project with the BLM, it was determined that a site map showing where you will be operating in relationship to existing disturbance in the area is still needed before you begin mining operations (this map is required by both the Division and BLM).

Please provide the required annual reports and other requested information for these mining projects, namely: Africa, Black Spot, Tina's Web, file number S/027/024; and the Sandstone Lode, file number S/053/035. Conducting mining operations without the appropriate state permits is a violation of the Utah Mined Land Reclamation Act. A knowing and intentional violation of the Act may result in an order requiring mining operations to cease, cancellation of the mine permit, and immediate reclamation of all mine site disturbances.



David Penney S027/024 & S/053/035 April 5, 1995

We do not wish to take unnecessary enforcement action to resolve these outstanding concerns. Therefore, we request that you please contact this office within seven (7) days of your receipt of this letter to work out a solution to correct the issues in question. Enclosed is another copy of the annual report form which you may copy as necessary. Annual reports for the Africa, Black Spot, Tina's Web (file number S/027/024), for the years 1990 through 1994, plus annual reports for the Sandstone Lode (file number S/053/035), for the years 1989 to 1994 are outstanding. Thank you in advance for your understanding and cooperation in resolving these outstanding permitting concerns. Please contact me or Lynn Kunzler of my staff should you have questions, or if we can assist you in this regard.

Sincerely,

D. Wayne Hedberg

Permit Supervisor

Minerals Regulatory Program

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Enclosure: MR-AR, 12/20/93 letter, MR-SMO cc: Rody Cox, BLM, Warm Springs RA

Jim Crisp, BLM, Dixie RA

penney.let